

## § 302-17.9

$$A = \frac{.06 (1.00 - .33)}{1.00 - .3448} (\$9,250)$$

A = .0614 (\$9,250)

A = \$567.95

(ii) Add the State gross-up to the RIT allowance as calculated using the formula in paragraph (f)(1) of this section. The result is the RIT allowance adjusted for those States that do not allow moving expense deductions. Example:

RIT allowance payable in	
Year .....	\$7,914.49
Plus adjustment factor .....	+567.95
Total .....	\$8,482.44

(4) If the amount of the RIT allowance is greater than zero, it is payable to the employee on the travel voucher as a relocation or moving expense allowance. The RIT allowance amount is included in the employee's gross income for Year 2 and, therefore, subject to appropriate withholding taxes. (See net payment to employee in paragraph (g) of this section.) The RIT allowance amount will be reported on IRS Form W-2 for Year 2 (including applicable income tax withholding amounts) and on IRS Form 4782 for the employee's information.

(5) If the calculation of the RIT allowance results in a negative amount, the employee is obligated to repay this amount as a debt due the Government. (See §§ 302-17.7(e)(2) and 302-17.9(b).)

(6) Any changes to the employee's income level or filing status for Year 1 that would affect the marginal tax rates (Federal, State, or local) used in calculating the RIT allowance must be reported to the agency by the employee as provided in § 302-17.9(b)(2). (See also § 302-17.10 for certified statement regarding these changes.)

(g) *Determination of the net payment due employee in Year 2.* Since the amount of the RIT allowance is income to the employee in Year 2, it is subject to the same tax withholding requirements as all other moving expense reimbursements. Agencies should determine the appropriate amounts for withholding taxes under their internal tax withholding procedures. The amount of withholding taxes is deducted from the RIT allowance to arrive

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at the net payment to the employee.

[FTR Amdt. 98, 66 FR 58196, Nov. 20, 2001; 67 FR 7219, Feb. 15, 2002; 67 FR 9045, Feb. 27, 2002, as amended by FTR Amdt. 2008-04, 73 FR 35953, June 25, 2008]

### § 302-17.9 Responsibilities.

(a) *Agency.* Finance offices will calculate the amount of the gross-up for the WTA in Year 1 in accordance with procedures outlined herein and credit this amount to the employee at the time of reimbursement as provided in § 302-17.7(e). The WTA will be reflected on the employee's Form W-2 for Year 1. The RIT allowance may be calculated in Year 2 either by the employee or by the agency finance office based on information provided by the employee on the voucher, as directed by the agency's implementing policies and procedures. In addition, agencies shall prescribe appropriate and necessary implementing procedures as provided elsewhere in this part.

(b) *Employee.* (1) The employee is required to submit a claim for the RIT allowance and to file the tax information for Year 1 specified in § 302-17.10 with his/her agency in Year 2, regardless of whether any additional reimbursement for the RIT allowance is owed the employee. (See § 302-17.7(e) for employee agreement.)

(2) If any action occurs (*i.e.*, amended tax return, tax audit, etc.) that would change the information provided in Year 2 by the employee to his/her agency for use in calculating the RIT allowance due the employee for Year 1 taxes, this information must be provided by the employee to his/her agency under procedures prescribed by the agency. (See § 302-17.10.)

(3) If the calculation of the RIT allowance results in a negative amount, the employee is obligated to repay this amount as a debt due the Government. (See §§ 302-17.7(e)(2) and 302-17.8(f)(5).)

### § 302-17.10 Claims for payment and supporting documentation and verification.

(a) *Claims forms.* Claims for payment of the RIT allowance shall be submitted by the employee in Year 2 on SF 1012 (Travel Voucher) or other authorized travel voucher form. When